

June 17, 2002

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

**DEPARTMENT OF HEALTH SERVICES RECOMMENDATION FOR BOARD
APPROVAL OF A SUPPLEMENT TO AN EXISTING PURCHASE ORDER AND OF
NEW PURCHASE ORDER FOR TRANSPORTATION SERVICES (ITEM NO. 47,
AGENDA OF JUNE 18, 2002)**

Item No. 47 on your Board's June 18, 2002 agenda is the Department of Health Services' (DHS) recommendation for Board approval of a supplement to an existing purchase order for services retroactive to March 1, 2002 through June 30, 2002, and of a new purchase order, effective July 1, 2002 through June 30, 2003, for transportation services for special needs children served by DHS Children's Medical Services (CMS).

The request for retroactive payment does not comply with the September 7, 2000 Board-approved policy to ensure timely submission of contracts for Board approval. However, we have allowed it to be placed on the Board agenda with a recommendation from our office for approval, because we understand that CMS had, in February and March 2002, ceased usage of the various vendors for transportation services in order to remain within the approved purchasing authority. After regular use of the providers was interrupted, it appears that, due to administrative oversight by staff, CMS did not request additional purchasing authority from Internal Services Department (ISD) to cover the \$10,000 cost associated with continuing the provision of emergency transportation for the special needs children. The Department has assured us that they are reviewing this situation and will take appropriate corrective action.

Each Supervisor
June 17, 2002
Page 2

Further, the recommendation for a new purchase order, effective July 1, 2002, does not meet the three-week filing requirement. The Department indicates this is due to unanticipated delays in completing the first-time development of a Transportation Services Master Agreement. The Master Agreement will be completed by the new purchase order termination date of June 30, 2003.

If you have any questions or need additional information, please contact me or your staff may call Raul Rios of my staff at (213) 974-1758.

DEJ:DIL
RR:bjs

c: Executive Officer, Board of Supervisors
 County Counsel
 Director of Health Services
 Internal Services Department